

154.27-060 Coal severance or processing tax incentives.

- (1) Notwithstanding any other provision of KRS 134.580 or KRS Chapter 143, an approved company that purchases or severs coal that:
 - (a) Is subject to the tax imposed under KRS 143.020; and
 - (b) Is used by the approved company exclusively as feedstock for an alternative fuel facility or a gasification facility;may be eligible for an incentive in an amount up to eighty percent (80%) of the taxes paid pursuant to KRS 143.020 on coal purchased or severed by the approved company that is above the base amount.
- (2) An approved company that has purchased or severed coal subject to the tax imposed under KRS 143.020 prior to the execution of a tax incentive agreement shall not create an affiliate, subsidiary, corporation, or other related entity that would result in a base amount of zero (0).
- (3) The incentive may be requested beginning in the first calendar year after the construction of a new facility or the upgrade or retrofit of an existing facility is completed.
- (4) Upon completion of the construction of a new alternative fuel facility or gasification facility or the retrofit or upgrade of an existing facility, an approved company shall notify the authority and the department.
- (5) The approved company may obtain the incentive on an annual basis by filing a request for the incentive with the department as provided in KRS 143.024.
- (6) The department shall notify the authority of the incentives requested and the incentives distributed, upon request of the authority.

Effective: August 30, 2007

History: Created 2007 (2d Extra. Sess.) Ky. Acts ch. 1, sec. 6, effective August 30, 2007.